

SENATE BILL 3091  
By Atchley

AN ACT to amend Tennessee Code Annotated, Title 9, Chapter 21, relative to authorizing local governments to engage in the development, financing, construction and maintenance of business parks as public works projects for the purpose of promoting economic development.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 9-21-105(20)(B), is amended by adding the following as a new subsection (vi):

(vi) "Business parks" which includes lands and rights, easements and franchises relating thereto, and may include roads and streets, water, sewer, electric and other utilities, landscaping and related elements as required for the orderly development and use of corporate or professional office space by one (1) or more commercial, financial or service business, and such appurtenant land for necessary incidental use. The building finance committee in the industrial development division of the department of economic and community development is authorized and empowered to determine whether a local government shall have the right to engage in any or all of the rights and privileges accompanying such a public works project. Before a local government may undertake the financing of such a public works project, it shall apply to the committee for a certificate of public purpose and necessity. The committee shall issue such a certificate once it is affirmatively determined that:

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(1) There are adequate property values and suitable financial conditions so that the total bonded indebtedness of the local government, solely for this authorized purpose and those other purposes authorized by Title 7, Chapter 55 and Title 13, Chapter 16, shall not exceed ten percent (10%) of the total assessed valuation of all the property in the local government ascertained by the last completed assessment at the time of the issuance of such bonds; and

(2) The project is well conceived, has a reasonable prospect of success, will provide economic development and employment, will tend to encourage business(es) to locate there and will not become a burden upon the taxpayers of the local government.

SECTION 2. Tennessee Code Annotated, Section 9-21-402, is amended by designating the existing language as subdivision (a) and by adding the following new subdivision (b):

(b) A local government which intends to issue bond anticipation notes, capital outlay notes or grant anticipation notes to finance a business park shall first comply with the requirements outlined in Tennessee Code Annotated, Section 9-21-105(20)(B)(vi).

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.